

## **EXTENDED STATUTE OF LIMITATIONS FOR CERTAIN AIRLINE EMPLOYEES TO REQUEST REFUNDS**

**Prior Law**\_\_\_\_\_

None. Taxpayers have up to three years after the due date of the return to timely request a refund.

**New Provisions**\_\_\_\_\_

The FAA Modernization and Reform Act of 2012, Public Law 112-95, allowed a qualified airline employee who received a settlement payment from an airline company in bankruptcy to roll over that amount into a traditional IRA. This would result in a potential refund for federal income tax purposes. Due to the bankruptcy, these employees were not previously allowed to roll those amounts over to an IRA, and the normal three year statute of limitations for refund for federal purposes had expired. For federal purposes, these employees had until April 15, 2013 to file an amended return and receive a refund for federal income tax purposes.

For Iowa individual income tax purposes, these qualified airlines employees have until June 30, 2013 to file an amended Iowa income tax return and claim a refund.

**Section Amended**\_\_\_\_\_

Section 13 of 2013 Iowa Acts Senate File 106 amends section 422.73, Code 2013, by adding new subsection 1A.

**Effective Date**\_\_\_\_\_

Retroactive to January 1, 2012, for refund claims filed on or after that date.